



CITY OF SAN ANTONIO

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Interim City Auditor
San Antonio, Texas

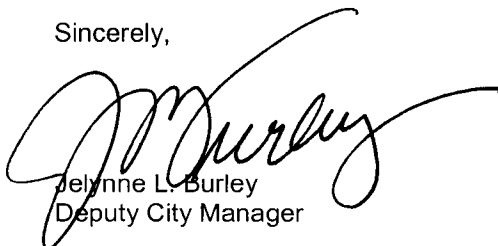
RE: Management's Corrective Action Plan for the Limited Review of the San Antonio Development Agency – Funding Relationship between the City, SADA, and San Antonio Affordable Housing, Inc.

City Management has studied the limited review report for the funding relationship between the City, SADA, and San Antonio Affordable Housing, Inc. and this is a Corrective Action Plan responding to the review's recommendation.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
Detail Report					
1	Formally communicate to SADA's Board of Commissioners the amount currently owed by SAAH, which is approximately \$25,000, in addition to the management fee for the pending sale of the 122 Ardmore property.	6	Partially Accept	Raquel Favela Development Manager	March 30, 2007
Action plan: City Management has executed a Memorandum of Understanding (MOU) with the San Antonio Development Agency (SADA) which defines the legal relationship between COSA and SADA. This MOU allows city staff access to the SADA Board in order to complete due diligence to validate the findings outlined above as well as other findings discovered during the transition process. The SADA Board is still the governing body of the agency and as such must meet to review these findings and approve requests for payments from the SAAH. The City will work with the SADA Board to identify other assets and liabilities that may have an impact on this finding. The City is working to establish standing Board meetings to provide status reports and request consideration and direction on pending business items. The City has informed the SADA legal counsel, Escamilla & Poneck that the Limited Review Report and the findings outlined need to be placed on the next Board agenda. City staff will provide monthly updates to the Office of the City Auditor on this audit finding until resolution is reached.					

We appreciate the City Auditor's comments on the funding relationship between the City, SADA, and San Antonio Affordable Housing, Inc. We are committed to addressing the recommendation in the limited review report and the plan of action presented.

Sincerely,


Jelynn L. Burley
Deputy City Manager